



OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY AGENDA REPORT

MEETING DATE: 10-11-12 **CONTROL NO:**

ITEM NO: 2

SUBJECT: APPROVAL AND TRANSMITTAL OF THE DUE DILIGENCE REVIEW FOR THE LOW AND MODERATE INCOME HOUSING FUND IN ACCORDANCE WITH HEALTH AND SAFETY CODE SECTION 34179.5

AND

RESOLUTION NO. OB 12-12

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY APPROVING THE DUE DILIGENCE REVIEW OF THE LOW AND MODERATE INCOME HOUSING FUND CONDUCTED PURSUANT TO HEALTH AND SAFETY CODE SECTION 34179.5 AND TAKING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

FROM: SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY

PRESENTATION BY: Justine Menzel, Deputy Executive Director

RECOMMENDATION

That the Oversight Board adopt the attached resolution, (i) approving the Due Diligence Review for the Low and Moderate Income Housing Fund pursuant to Health and Safety Code Section 34179.5, as presented, (ii) authorizing the Successor Agency to retain the assets and funds, if any, identified in subparagraphs (B) to (E), inclusive, of paragraph (5) of subdivision(c) of Section 34179.5, as documented in the Due Diligence Review (the "Restricted Assets"), and (iii) ordering the transmittal of the Due Diligence Review to the Department of Finance and the county auditor-controller.

DISCUSSION

Pursuant to Health and Safety Code Section 34179.5, each successor agency must employ a licensed accountant, approved by the county auditor-controller and with experience and expertise in local government accounting, to conduct a due diligence review to determine the unobligated balances available for transfer to taxing entities.

Each review must determine the net balance of the Low and Moderate Income Housing Fund (the "LMIHF") and specifically the amount of cash and cash equivalents determined to be available for allocation to taxing entities as of June 30, 2012 (the "Due Diligence Review"). In summary, such amount is determined by determining the total value of assets and cash and cash equivalents in the LMIHF and subtracting the following Restricted Assets: (1) restricted funds, (2) assets that are not cash or cash

equivalents, (3) amounts that are legally or contractually dedicated or restricted for the funding of an enforceable obligation, and (4) amounts that are needed to satisfy obligations that will be put on the Recognized Obligation Payment Schedule ("ROPS") for the current fiscal year. Also, the amount determined to be available for allocation to taxing entities includes the value of assets, cash and cash equivalents transferred after January 1, 2011 through June 30, 2012 by the former redevelopment agency or the successor agency to the city, another public agency or private person if an enforceable obligation to make that transfer did not exist. The Due Diligence Review documents the Restricted Assets and provides the respective amounts, sources and purposes for which the Restricted Assets should be retained.

Health and Safety Code Section 34179.6 requires each successor agency to submit the Due Diligence Review to the oversight board for the oversight board's review and approval.

Upon receipt of the Due Diligence Review, the oversight board must convene a public comment session to take place at least five business days before the oversight board holds the approval vote. The oversight board also must consider any opinions offered by the county auditor-controller on the review results submitted by the successor agency.

By October 15, 2012, the oversight board must review, approve, and transmit the Due Diligence Review to the state department of finance ("DOF") and the county auditor-controller. The oversight board may adjust any amount provided in the review to reflect additional information and analysis. The review and approval must occur in public sessions. The oversight board may request from the successor agency any materials it deems necessary to assist in its review and approval of the determination.

Section 34179.6 empowers the oversight board to authorize a successor agency to retain the Restricted Assets.

The DOF must complete its review of the Due Diligence Review no later than November 9, 2012, and must notify the oversight board and the successor agency of its decision to overturn any decision of the oversight board to authorize a successor agency to retain Restricted Assets. The DOF must provide the oversight board and the successor agency an explanation of its basis for overturning or modifying any findings, determinations, or authorizations of the oversight board. The successor agency then has the option to meet and confer with DOF to discuss any modifications.

By December 1, 2012, the county auditor-controller must provide DOF a report specifying the amount submitted by each successor agency from the LMIHF, and specifically noting any successor agency that failed to remit the full required amount.

Section 34179.5 also requires a similar review of all other funds and accounts held by the successor agency to determine unobligated balances available for transfer to taxing entities. The review for all other funds and accounts must be completed by December 15, 2012 and the county auditor-controller has an April 20, 2013 deadline to provide DOF the report specifying the amount submitted by each successor agency from all

other funds and accounts, and specifically noting any successor agency that failed to remit the full required amount.

Upon full payment of the amounts determined in the Due Diligence Review and the subsequent review conducted for all other funds and accounts, payment of the “surplus” tax revenues due on July 12, 2012, and any unpaid or underpaid pass through payments owed for fiscal year 2011-12, DOF will issue to the successor agency, within five business days, a finding of completion of the requirements of Section 34179.6.

White Nelson Diehl Evans, Certified Public Accountants and Consultants were retained by the Successor Agency to conduct the Due Diligence Review.

The Oversight Board held the required public comment session regarding the Due Diligence Review on October 4, 2012.

ATTACHMENT

Resolution No. OB 12-12

RESOLUTION NO. OB 12-12

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY APPROVING THE DUE DILIGENCE REVIEW OF THE LOW AND MODERATE INCOME HOUSING FUND CONDUCTED PURSUANT TO HEALTH AND SAFETY CODE SECTION 34179.5 AND TAKING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

RECITALS:

A. Pursuant to Health and Safety Code Section 34175(b) and the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.* (53 Cal.4th 231(2011)), on February 1, 2012, all assets, properties, contracts, leases, books and records, buildings, and equipment of the former Artesia Redevelopment Agency transferred to the control of the Successor Agency to the Artesia Redevelopment Agency (the "Successor Agency") by operation of law.

B. Health and Safety Code Section 34179.5 requires the Successor Agency to employ a licensed accountant, approved by the county auditor-controller, to conduct a due diligence review to determine the unobligated balances available for transfer to taxing entities.

C. Health and Safety Code Section 34179.6 requires the Successor Agency to submit the results of the review conducted pursuant to Section 34179.5 for the Low and Moderate Income Housing Fund (the "LMIHF") and specifically the amount of cash and cash equivalents determined to be available for allocation to taxing entities (the "Due Diligence Review") to the Successor Agency's Oversight Board (the "Oversight Board") for the Oversight Board's review and approval.

D. Pursuant to Health and Safety Code Sections 34179.6 and 34180(j), the Successor Agency submitted to the Oversight Board, the county administrative officer, the county auditor-controller, the State Controller and the Department of Finance ("DOF") the Due Diligence Review and a copy of the Recognized Obligation Payment Schedule ("ROPS").

E. Pursuant to Health and Safety Code Section 34179.6(b), upon receipt of the Due Diligence Review, and at least five business days before the Oversight Board considers the approval of the Due Diligence Review, the Oversight Board must hold a public comment session (the "Public Comment Session") at which time the public has an opportunity to hear and be heard on the results of the Due Diligence Review and at which time the Oversight Board considers the opinions, if any, offered by the county auditor-controller on the results of the Due Diligence Review.

F. On October 4, 2012, the Oversight Board held the Public Comment Session pursuant to Health and Safety Code Section 34179.6 (b).

G. Pursuant to Health and Safety Code Section 34179.6(c), the Oversight Board must review, approve and transmit to DOF and the county auditor-controller, the determination of the amount of cash and cash equivalents in the LMIHF available for disbursement to taxing entities as determined according to the method provided in Section 34179.5. Section 34179.6 (c) provides that the Oversight Board may adjust any amount provided in the Due Diligence Review to reflect additional information and analysis.

H. Section 34179.6(c) empowers the Oversight Board to authorize the Successor Agency to retain assets or funds identified in subparagraphs (B) to (E), inclusive, of paragraph (5) of subdivision(c) of Section 34179.5. If the Oversight Board makes this authorization, the Oversight Board must identify to DOF the amount of funds authorized for retention, the source of those funds, and the purposes for which those funds are being retained. The determination and authorization to retain funds and assets shall be subject to the review and approval of DOF pursuant to Health and Safety Code Section 34179.6(d).

I. Pursuant to Health and Safety Code Section 34179.6(c), the Oversight Board desires to approve the Due Diligence Review and to authorize the Successor Agency to retain the assets and funds, if any, identified pursuant to subparagraphs (B) to (E), inclusive, of paragraph (5) of subdivision(c) of Section 34179.5, as documented in the Due Diligence Review.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. This Resolution is adopted pursuant to Health and Safety Code Section 34179.6(c).

Section 3. The Oversight Board hereby approves the Due Diligence Review as presented on file with the Secretary.

Section 4. For the purposes of providing for the transfer of housing functions and assets pursuant to Health and Safety Code Sections 34176 and 34181(c), the Oversight Board hereby authorizes the Successor Agency to retain the assets and funds, if any, identified in subparagraphs (B) to (E), inclusive, of paragraph (5) of subdivision(c) of Section 34179.5, as documented in the Due Diligence Review, which provides the amount of funds authorized for retention, the source of those funds, and the purposes for which those funds are being retained.

Section 5. The staff of the Successor Agency is hereby directed to transmit to DOF and the county auditor-controller written notice and information regarding the actions taken by this Resolution and specifically the determination of the amount of cash and cash equivalents in the LMIHF that are available for disbursement to taxing entities as determined according to the

method provided in Health and Safety Code Section 34179.5. Such notice to DOF shall be provided by electronic means and in a manner of DOF's choosing.

Section 6. The staff and the Board of the Successor Agency are hereby authorized and directed, jointly and severally, to execute and record such documents and instruments and to do any and all other things which they may deem necessary or advisable to effectuate this Resolution and any such actions previously taken are hereby ratified.

PASSED AND ADOPTED this 11th day of October, 2012.

Maria Dadian, Vice Chair

ATTEST:

Gloria Considine, Secretary

SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY

Independent Accountants' Report on Applying Agreed-Upon Procedures
On the Artesia Redevelopment Agency's

And

The Successor Agency to the Artesia Redevelopment Agency's
Low and Moderate Income Housing Fund

Pursuant to California Health and Safety Code Section 34179.5

**SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY
AGREED-UPON PROCEDURES RELATED TO THE
LOW AND MODERATE INCOME HOUSING FUND**

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**Independent Accountants' Report on Applying Agreed-Upon Procedures
Related to the Low and Moderate Income Housing Fund**

Oversight Board of the Successor Agency
to the Artesia Redevelopment Agency
Artesia, California

We have performed the minimum required agreed-upon procedures (AUP) enumerated in Attachment A, which were agreed to by the California Department of Finance, the California State Controller's Office, the Los Angeles County Auditor-Controller, and the Successor Agency to the Artesia Redevelopment Agency (Successor Agency), (collectively, the Specified Parties), solely to assist you in meeting the statutory requirements of Health and Safety Code Section 34179.5 related to the Low and Moderate Income Housing Fund of the former Artesia Redevelopment Agency and Successor Agency. Management of the Successor Agency is responsible for meeting the statutory requirements of Health and Safety Code Section 34179.5 related to the Low and Moderate Income Housing Fund. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

The scope of this engagement was limited to performing the agreed-upon procedures as set forth in Attachment A. Attachment A also identifies the findings noted as a result of the procedures performed.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on whether the Successor Agency has met the statutory requirements of Health and Safety Code Section 34179.5 related to the Low and Moderate Income Housing Fund. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Oversight Board and management of the Successor Agency to the Artesia Redevelopment Agency, the California Department of Finance, the California State Controller's Office, and the Los Angeles County Auditor-Controller, and is not intended to be, and should not be, used by anyone other than these specified parties.

White Nelson Diehl Evans LLP

Irvine, California
September 27, 2012

SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY

ATTACHMENT A - AGREED-UPON PROCEDURES AND FINDINGS RELATED TO THE LOW AND MODERATE INCOME HOUSING FUND

1. **Procedure:**

Obtain from the Successor Agency a listing of all assets that were transferred from the former redevelopment agency's Low and Moderate Income Housing Fund to the Successor Agency on February 1, 2012. Agree the amounts on this listing to account balances established in the accounting records of the Successor Agency. Identify in the Agreed-Upon Procedures (AUP) report the amount of the assets transferred to the Successor Agency as of that date.

Finding:

We agreed the amounts listed on Schedule 1 to the Successor Agency's accounting records without exception. The former redevelopment agency transferred \$2,773,298 in assets to the Successor Agency as detailed in Schedule 1.

2A. **Procedure:**

Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the Low and Moderate Income Housing Fund of the former redevelopment agency to the city that formed the redevelopment agency for the period from January 1, 2011 through January 31, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.

Finding:

This procedure is not applicable as the former redevelopment agency did not make any transfers from the Low and Moderate Income Housing Fund other than payments for goods and services to the City of Artesia during the period from January 1, 2011 through January 31, 2012.

2B. **Procedure:**

Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the Low and Moderate Income Housing Fund of the Successor Agency to the city that formed the redevelopment agency for the period from February 1, 2012 through June 30, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.

Finding:

This procedure is not applicable as the Successor Agency did not make any transfers from the Low and Moderate Income Housing Fund other than payments for goods and services to the City of Artesia during the period from February 1, 2012 through June 30, 2012.

SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY

ATTACHMENT A - AGREED-UPON PROCEDURES AND FINDINGS
RELATED TO THE LOW AND MODERATE INCOME HOUSING FUND

2C. **Procedure:**

For each transfer, obtain the legal document that formed the basis for the enforceable obligation that required the transfer. Note in the AUP report the absence of any such legal document or the absence of language in the document that required the transfer.

Finding:

This procedure is not applicable since no transfers were identified as a result of Procedures 2A and 2B.

3A. **Procedure:**

Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the Low and Moderate Income Housing Fund of the former redevelopment agency to any other public agency or to private parties for the period from January 1, 2011 through January 31, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the former redevelopment agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.

Finding:

The Low and Moderate Income Housing Fund of the former redevelopment agency transferred assets as shown in Schedule 2 to the Artesia Housing Authority.

3B. **Procedure:**

Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the Low and Moderate Income Housing Fund of the Successor Agency to any other public agency or to private parties for the period from February 1, 2012 through June 30, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and described in what sense the transfer was required by one of the former redevelopment agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.

Finding:

The Low and Moderate Income Housing Fund of the Successor Agency transferred assets as shown in Schedule 2 to the Artesia Housing Authority.

SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY

ATTACHMENT A - AGREED-UPON PROCEDURES AND FINDINGS RELATED TO THE LOW AND MODERATE INCOME HOUSING FUND

3C. **Procedure:**

For each transfer, obtain the legal document that formed the basis for the enforceable obligation that required the transfer. Note in the AUP report the absence of any such legal document or the absence of language in the document that required the transfer.

Finding:

Schedule 2 in the report shows the details for the enforceable obligation or other legal requirement supporting the transfers.

4. **Procedure:**

Obtain from the Successor Agency a summary of the financial transactions of the Redevelopment Agency and the Successor Agency for the fiscal periods ended June 30, 2010, June 30, 2011, January 31, 2012 and June 30, 2012. Ascertain that for each period presented, the total of revenues, expenditures and transfers account fully for the changes in equity from the previous fiscal period. Compare amounts for the fiscal period ended June 30, 2010 to the state controller's report filed for the Redevelopment Agency for that period. Compare the amounts for the other fiscal periods presented to the account balances in the accounting records or other supporting schedules.

Finding:

This procedure is required by Section 34179.5(c)(4) for the Successor Agency as a whole and therefore will be addressed in the AUP report associated with all other funds of the Successor Agency due December 15, 2012.

5. **Procedure:**

Obtain from the Successor Agency a listing of all assets of the Low and Moderate Income Housing Fund (excluding assets held by the entity that assumed the housing function previously performed by the former redevelopment agency) as of June 30, 2012. Agree the assets on the listing to the accounting records of the Successor Agency.

Finding:

As of June 30, 2012, the Successor Agency's total assets related to the former redevelopment agency's Low and Moderate Income Housing Fund amounted to \$2,494,351 as shown in Schedule 3.

SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY

ATTACHMENT A - AGREED-UPON PROCEDURES AND FINDINGS RELATED TO THE LOW AND MODERATE INCOME HOUSING FUND

6. **Procedure:**

Obtain from the Successor Agency a listing of asset balances held on June 30, 2012 that were restricted for the following purposes:

- unspent bond proceeds,
- grant proceeds and program income restricted by third parties, and
- Other assets with legal restrictions.

6A. **Procedure - Unspent Bond Proceeds:**

Obtain the Successor Agency's computation of the restricted balances and trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation. Obtain the legal document that sets forth the restriction pertaining to these balances. We agreed the par amount of the bonds, underwriter's discount, cost of issuance and deposits to the reserve fund to the Official Statement prepared on the issuance of the bonds. We agreed the date and amount of the disbursement to supporting documents for expenditures paid by the Agency. We agreed the balances at June 30, 2012 to the Statement of Assets held by Wells Fargo Corporate Trust Services.

Finding:

As of June 30, 2012, the Successor Agency had \$1,575,976 in unspent bond proceeds as detailed in Schedule 4. The total unspent bond proceeds include \$1,262,004 in project funds, \$310,023 in reserve funds, and accrued interest of \$3,949. Attached to the report at Exhibit 1 are pages from the Official Statement prepared on the issuance of the bonds and page 11 from that statement which restricts the use of the bond proceeds for use on low and moderate income housing activity.

6B. **Procedure - Grant Proceeds and Program Income Restricted by Third Parties:**

Obtain the Successor Agency's computation of the restricted balances and trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation. Obtain a copy of the grant agreement that sets forth the restriction pertaining to these balances.

Finding:

This procedure is not applicable as the Successor Agency's assets related to the former redevelopment agency's Low and Moderate Income Housing Fund did not have grant proceeds and program income restricted by third parties as of June 30, 2012.

SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY

ATTACHMENT A - AGREED-UPON PROCEDURES AND FINDINGS RELATED TO THE LOW AND MODERATE INCOME HOUSING FUND

6C. **Procedure - Other Assets Considered to be Legally Restricted:**

Obtain the Successor Agency's computation of the restricted balances and trace individual components of this computation to related account balances in the accounting records or other supporting documentation. We obtained the legal document that sets forth the restriction pertaining to these balances.

Finding:

This procedure is not applicable as the Successor Agency's assets related to the former redevelopment agency's Low and Moderate Income Housing Fund did not have other assets considered to be legally restricted as of June 30, 2012.

7. **Procedure:**

Obtain from the Successor Agency a listing of assets of the former redevelopment agency's Low and Moderate Income Housing Fund as of June 30, 2012 that are not liquid or otherwise available for distribution and ascertain if the values are listed at either purchase cost or market value as recently estimated by the Successor Agency. For assets listed at purchased cost, trace the amount to a previously audited financial statement or other accounting records of the Successor Agency and note any differences. For any differences noted, inspect evidence of asset disposal subsequent to January 31, 2012 and ascertain that the proceeds were deposited into the Successor Agency's trust fund. For assets listed at recently estimated market value, inspect evidence supporting the value and note the methodology used.

Finding:

This procedure is not applicable as the former redevelopment agency's Low and Moderate Income Housing Fund did not have any assets that were not liquid or otherwise available for distribution as of June 30, 2012.

8A. **Procedure:**

If the Successor Agency identified that existing asset balances were needed to be retained to satisfy enforceable obligations, obtain an itemized schedule of asset balances (resources) as of June 30, 2012 that were dedicated or restricted for the funding of enforceable obligations. Compare the information on the schedule to the legal documents that formed the basis for the dedication or restriction of the resource balance in question. Compare all current balances which needed to be retained to satisfy enforceable obligations to the amounts reported in the accounting records of the Successor Agency or to an alternative computation. Compare the specified enforceable obligations to those that were included in the final Recognized Obligation Payment Schedule (ROPS) approved by the California Department of Finance. If applicable, identify any listed balances for which the Successor Agency was unable to provide appropriate restricting language in the legal document associated with the enforceable obligation.

SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY

ATTACHMENT A - AGREED-UPON PROCEDURES AND FINDINGS RELATED TO THE LOW AND MODERATE INCOME HOUSING FUND

8A. **Finding:**

This procedure was not applicable as the Successor Agency did not identify any assets to be retained to fund enforceable obligations.

8B. **Procedure:**

If the Successor Agency identified that future revenues together with balances dedicated or restricted to an enforceable obligation are insufficient to fund future obligation payments and thus retention of current balances is required, obtain from the Successor Agency a schedule of approved enforceable obligations that include a projection of the annual spending requirements to satisfy each obligation and a projection of the annual revenues available to fund those requirements. Compare the enforceable obligations to those that were approved by the California Department of Finance for the six month period from January 1, 2012 through June 30, 2012 and for the six month period July 1, 2012 through December 31, 2012. Compare the forecasted annual spending requirements to the legal document supporting the enforceable obligation and obtain the Successor Agency's assumptions relating to the forecasted annual spending requirements. Obtain the Successor Agency's assumptions for the forecasted annual revenues. Disclose the major assumptions for the forecasted annual spending requirements and the forecasted annual revenues in this AUP report.

Finding:

The Successor Agency has prepared a projection that shows total resources available to satisfy enforceable obligations amounting to \$9,639,705 (Schedule 5). The total estimated spending requirements are \$10,345,773, which includes remaining debt service payments on the 2009 Housing bonds and expenses associated with the bonds such as administration fees, bond trustee and continuing disclosure fees and housing consultant fees. All of these expenses were reported on ROPS 2, lines 1, 6 to 8 and 11 to 12 and ROPS 3, lines 1 to 3, 5 to 7 and 10 to 11. The total resources available less the estimated spending requirements results in a projected deficit of \$706,068 as shown in Schedule 5. Exhibit 2 shows the annual projected revenues and annual estimated spending requirements until the end of the life of the 2009 housing bonds. The assumptions for the projected revenues and the spending requirements are shown in Exhibit 2.

8C. **Procedure:**

If the Successor Agency identified that projected property tax revenues and other general purpose revenues to be received by the Successor Agency are insufficient to pay bond debt service payments (considering both the timing and amount of the related cash flows), obtain a schedule demonstrating this insufficiency. Compare the timing and amounts of bond debt service payments to the related bond debt service schedules in the bond agreement. Obtain the assumptions for the forecasted property tax revenues and other general purpose revenues and disclose them in this AUP report.

SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY

ATTACHMENT A - AGREED-UPON PROCEDURES AND FINDINGS
RELATED TO THE LOW AND MODERATE INCOME HOUSING FUND

8C. **Finding:**

This procedure is not applicable as the Successor Agency did not identify any assets to be retained under this procedure

8D. **Procedure:**

If Procedures 8A, 8B and 8C were performed, calculate the amount of unrestricted balances necessary for retention in order to meet enforceable obligations. Combine the amount identified as currently restricted balances and the forecasted annual revenues to arrive at the amount of total resources available to fund enforceable obligations. Reduce the total resources available by the amount of forecasted annual spending requirements. Include the calculation in this AUP report.

Finding:

The calculation of the amount of unrestricted balances necessary for retention in order to meet enforceable obligations is shown in Schedule 5. The projected spending requirements exceeds the resources available which indicates that unrestricted cash balance of \$706,068 needs to be retained by the Successor Agency.

9. **Procedure:**

If the Successor Agency identified that cash balances as of June 30, 2012 need to be retained to satisfy obligations on the Recognized Obligation Payment Schedule (ROPS) for the period of July 1, 2012 through June 30, 2013, obtain a copy of the final ROPS for the period of July 1, 2012 through December 31, 2012 and a copy of the final ROPS for the period January 1, 2013 through June 30, 2013. For each obligation listed on the ROPS, the Successor Agency should identify (a) any dollar amount of existing cash that was needed to satisfy the obligation, and (b) the Successor Agency's explanation as to why the Successor Agency believes that such balances were needed to satisfy the obligation. Include this schedule as an attachment to this AUP report.

Finding:

This procedure is not applicable as the Successor Agency did not identify any assets to be retained under this procedure.

10. **Procedure:**

Present a schedule detailing the computation of the Balance Available for Allocation to Affected Taxing Agencies. Amounts included in the calculation should agree to the results of the procedures performed above. Agree any deductions for amounts already paid to the County Auditor-Controller on July 12, 2012 as directed by the California Department of Finance to evidence of payment.

SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY

ATTACHMENT A - AGREED-UPON PROCEDURES AND FINDINGS
RELATED TO THE LOW AND MODERATE INCOME HOUSING FUND

10. **Finding:**

The computation of the Balance Available for Allocation to Affected Taxing Agencies shows \$212,307 be remitted to the County for disbursement to taxing agencies as shown in Schedule 6.

11. **Procedure:**

Obtain a representation letter from management of the Successor Agency acknowledging their responsibility for the data provided and the data presented in the report or in any schedules or exhibits to the report. Included in the representations is an acknowledgment that management is not aware of any transfers (as defined by Section 34179.5) from either the former redevelopment agency or the Successor Agency to other parties for the period from January 1, 2011 through June 30, 2012 that have not been properly identified in this AUP report and its related schedules or exhibits. Management's refusal to sign the representation letter should be noted in the AUP report as required by attestation standards.

Finding:

No exceptions to this Procedure were noted.

SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY
AGREED-UPON PROCEDURES RELATED TO THE
LOW AND MODERATE INCOME HOUSING FUND

LISTING OF ASSETS TRANSFERRED TO SUCCESSOR AGENCY

As of February 1, 2012

		Total Assets as of <u>February 1, 2012</u>
	ASSETS	
Cash and investments		\$ 1,221,271
Bond Project Fund		1,262,004
Bond Reserve Fund		<u>290,023</u>
TOTAL ASSETS		<u><u>\$ 2,773,298</u></u>

SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY
 AGREED-UPON PROCEDURES RELATED TO THE
 LOW AND MODERATE INCOME HOUSING FUND

TRANSFERS TO THE ARTESIA HOUSING AUTHORITY

FOR THE PERIOD JANUARY 1, 2011 THROUGH JANUARY 31, 2012:

<u>Date of Transfer</u>	<u>Description of Transfer</u>	<u>Purpose of Transfer</u>	<u>Amount</u>	<u>Enforceable Obligation/Other Legal Requirement Supporting transfer</u>
9/19/2011	Transfer of Real Property to Artesia Housing Authority	Transfer Housing Assets to Housing Successor (Artesia Housing Authority)	<u>\$ 267,340</u>	Health and Safety Code Section 34510

FOR THE PERIOD FEBRUARY 1, 2012 THROUGH JUNE 30, 2012:

<u>Date of Transfer</u>	<u>Description of Transfer</u>	<u>Purpose of Transfer</u>	<u>Amount</u>	<u>Enforceable Obligation and Document Supporting Transfer</u>
6/30/2012	Transfer FY 10/11 net rental income to Artesia Housing Authority	Transfer income related to Housing Assets transferred to Housing Successor (Artesia Housing Authority)	<u>\$ 62,887</u>	Health and Safety Code Section 34510

SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY
 AGREED-UPON PROCEDURES RELATED TO THE
 LOW AND MODERATE INCOME HOUSING FUND

LISTING OF ASSETS

As of June 30, 2012

	Total Assets as of June 30, 2012
	<u> </u>
ASSETS	
Cash and investments	\$ 918,375
Bond Project Fund	1,262,004
Bond Reserve Fund	310,023
Interest receivable - Bond Reserve Fund	<u>3,949</u>
	<u> </u>
TOTAL ASSETS	<u><u>\$ 2,494,351</u></u>

SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY
 AGREED-UPON PROCEDURES RELATED TO THE
 LOW AND MODERATE INCOME HOUSING FUND

UNSPENT BOND PROCEEDS

Par Amount of 2009 Bonds		\$ 3,470,000
Less: Underwriter's Discount		(52,050)
Bond Proceeds		<u>3,417,950</u>
Series 2009 Bond Proceeds per Transcript		3,417,950
Less: Deposit to Reserve Account		(286,030)
Less: COI		(121,920)
Net Project Funds		<u>3,010,000</u>
Deposit to Housing Fund	Date	3,010,000
Purchase of Real Property	2/3/2010	<u>(1,747,996)</u>
Remaining Project Funds		<u>1,262,004</u>
Actual Current Balance <i>(including reserve fund of \$310,023 and accrued interest of \$3,949)</i>		<u><u>\$ 1,575,976</u></u>

SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY
 AGREED-UPON PROCEDURES RELATED TO THE
 LOW AND MODERATE INCOME HOUSING FUND

SUMMARY OF AVAILABLE RESOURCES AND ESTIMATED SPENDING REQUIREMENTS

AVAILABLE RESOURCES:

CURRENT RESOURCES:

Cash and investment balances at June 30, 2012	\$	<u>918,375</u>
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PROJECTED REVENUES:

Receipts from RPTTF		9,639,705
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SPENDING REQUIREMENTS:

Administration (Projected)	\$	307,968	
Bond trustee and continuing disclosure fees (Projected)		141,100	
Attorney fees (Projected)		185,000	
Housing consultant fees (Projected)		72,000	
Debt service payments		<u>9,639,705</u>	
TOTAL SPENDING REQUIREMENTS			<u>10,345,773</u>

NET DEFICIT		<u>(706,068)</u>
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EXCESS RESOURCES AVAILABLE	\$	<u><u>212,307</u></u>
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SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY
 AGREED-UPON PROCEDURES RELATED TO THE
 LOW AND MODERATE INCOME HOUSING FUND

SUMMARY OF BALANCE AVAILABLE FOR ALLOCATION TO AFFECTED TAXING AGENCIES

As of June 30, 2012

Total amount of assets held by the Successor Agency as of June 30, 2012 - (Procedure 5)	\$ 2,494,351
Less assets legally restricted for uses specified by debt covenants, grant restrictions, or restrictions imposed by other governments - (Procedure 6)	(1,575,976)
Less assets that are not cash or cash equivalents (e.g., physical assets) - (Procedure 7)	-
Less balances that are legally restricted for the funding of an enforceable obligation (net of projected annual revenues available to fund those obligations) - (Procedure 8)	(706,068)
Less balances needed to satisfy ROPS for the 2012-13 fiscal year - (Procedure 9)	-
Less the amount of payments made on July 12, 2012 to the County Auditor-Controller as directed by the California Department of Finance	-
Add the amount of any assets transferred to the City for which an enforceable obligation with a third party requiring such transfer and obligating the use of the transferred assets did not exist - (Procedures 2 and 3)	-
Amount to be remitted to County for disbursement to taxing agencies	<u><u>\$ 212,307</u></u>

EXHIBIT 1

BOND DOCUMENTS

NEW ISSUE — Book-Entry Only
BANK QUALIFIED

RATING: S&P “BBB+”
See “CONCLUDING INFORMATION — Ratings” herein.

In the opinion of Richards, Watson & Gershon, A Professional Corporation, Bond Counsel, under existing law (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, and (ii) interest on the 2009 Bonds is exempt from personal income taxation by the State of California. For a more complete discussion of the tax aspects, see “CONCLUDING INFORMATION — Tax Matters” herein.

\$3,470,000
ARTESIA REDEVELOPMENT AGENCY
HOUSING SET-ASIDE TAX ALLOCATION BONDS
(ARTESIA REDEVELOPMENT PROJECT AREA)
SERIES 2009

Dated: Date of Delivery

Due: June 1, as shown on inside front cover

The Artesia Redevelopment Agency (the “Agency”) is issuing the above-captioned bonds (the “Bonds”) pursuant to the California Community Redevelopment Law, constituting Part 1, Division 24 (commencing with Section 33000) of the California Health and Safety Code (the “Redevelopment Law”) and an Indenture of Trust, dated as of June 1, 2009 (the “Indenture”), by and between the Agency and Wells Fargo Bank, National Association, as trustee (the “Trustee”). Proceeds from the sale of the Bonds will be used to (i) finance low and moderate income housing projects of the Agency, (ii) fund a reserve account, and (iii) pay costs of issuance of the Bonds.

Principal of the Bonds is payable on their maturity dates set forth on the inside cover hereof. Interest on the Bonds is payable on June 1 and December 1 of each year, commencing December 1, 2009. The Bonds will be issued in fully registered form and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the Bonds. Individual purchases of the Bonds may be made in book-entry form only, in denominations of \$5,000 each or any integral multiple thereof. Purchasers will not receive certificates representing their interest in the Bonds purchased. Principal of and interest on the Bonds will be paid directly to DTC by the Trustee. Upon its receipt of payments of principal and interest, DTC is in turn obligated to remit such principal and interest to DTC participants for subsequent disbursement to the beneficial owners of the Bonds as described herein. See “THE BONDS.”

The Bonds are being sold to the Artesia Public Financing Authority, which will in turn sell the Bonds to the Underwriter.

The Bonds are subject to optional redemption and mandatory sinking fund redemption prior to their maturity as described herein.

The Bonds are special obligations of the Agency and are equally and ratably secured, by an irrevocable pledge of certain Housing Set-Aside Revenues derived from the Artesia Redevelopment Project Area (the “Project Area”) and other funds as provided in the Indenture pursuant to which the Bonds are being issued, as further discussed herein. See “SECURITY FOR THE BONDS” herein.

THE BONDS ARE NOT A DEBT OF THE CITY OF ARTESIA, THE STATE OF CALIFORNIA OR ANY OF ITS POLITICAL SUBDIVISIONS OTHER THAN THE AGENCY, AND NEITHER THE CITY OF ARTESIA, THE STATE OF CALIFORNIA NOR ANY OF ITS POLITICAL SUBDIVISIONS OTHER THAN THE AGENCY IS LIABLE THEREFOR. IN NO EVENT SHALL ANY BONDS OR ANY INTEREST OR REDEMPTION PREMIUM THEREON BE PAYABLE OUT OF ANY FUNDS OR PROPERTIES OTHER THAN THOSE OF THE AGENCY AS SET FORTH IN THE INDENTURE. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION. NEITHER THE MEMBERS OF THE AGENCY NOR ANY PERSONS EXECUTING THE BONDS ARE LIABLE PERSONALLY ON THE BONDS BY REASON OF THEIR ISSUANCE.

This cover page of the Official Statement contains information for quick reference only. It is not a complete summary of the Bonds. Investors should read the entire Official Statement to obtain information essential to the making of an informed investment decision. For a discussion of some of the risks associated with a purchase of the Bonds, see “RISK FACTORS” herein.

The Bonds are offered when, as and if issued and accepted by the Underwriter, subject to the approval as to their legality by Richards, Watson & Gershon, A Professional Corporation, as Bond Counsel. Certain legal matters will also be passed on for the Agency by Richards, Watson & Gershon, A Professional Corporation, as Disclosure Counsel and as General Counsel to the Agency. It is anticipated that the Bonds will be available for delivery in book-entry form through the facilities of DTC on or about June 30, 2009.

CHILTON & ASSOCIATES
MEMBER FINRA INVESTMENT BANKERS

Dated: June 18, 2009

\$3,470,000
ARTESIA REDEVELOPMENT AGENCY
HOUSING SET-ASIDE TAX ALLOCATION BONDS
(ARTESIA REDEVELOPMENT PROJECT AREA)
SERIES 2009

INTRODUCTION

The purpose of this Official Statement, which includes the cover page, Table of Contents and Appendices hereto (the “Official Statement”), is to provide information concerning the sale of \$3,470,000 aggregate principal amount of Artesia Redevelopment Agency Housing Set-Aside Tax Allocation Bonds (Artesia Redevelopment Project Area), Series 2009 (the “Bonds”) to be issued by the Artesia Redevelopment Agency. This Introduction contains a brief summary of certain information contained in this Official Statement. It is not intended to be complete and is qualified by the more detailed information contained elsewhere in this Official Statement. Definitions of certain capitalized terms used in this Official Statement are set forth in “APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.”

General

The Artesia Redevelopment Agency (the “Agency”) is a redevelopment agency existing under the Community Redevelopment Law of the State of California (the “State”), constituting Part 1 of Division 24 (commencing with Section 33000) of the California Health and Safety Code, as amended (the “Redevelopment Law”). The Bonds are being issued under the authority granted to the Agency under the Redevelopment Law, specifically Article 5 of Chapter 6 thereof (commencing with Section 33640). The Bonds are being issued for sale to the Artesia Public Financing Authority (the “Authority”) pursuant to the Marks Roos Local Bond Pooling Act of 1985, constituting Article 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6584) of the California Government Code (the “Act”). The Bonds purchased by the Authority will be resold concurrently to Chilton & Associates, Inc., as underwriter (the “Underwriter”). The proceeds of the Bonds will be used (i) to finance low and moderate income housing projects of the Agency, (ii) to fund a debt service reserve account, and (iii) to pay costs of issuance of the Bonds. See “PLAN OF FINANCE.”

The Bonds are being issued pursuant to an Indenture of Trust, dated as of June 1, 2009 (the “Indenture”), by and between the Agency and Wells Fargo Bank, National Association, as trustee (the “Trustee”). The Bonds are secured by a pledge of, security interest in and a lien on Housing Set-Aside Revenues (defined below) and by the moneys in certain funds and accounts established by the Indenture. The Indenture permits the Agency to, upon satisfaction of certain conditions, incur additional debt payable from and secured by a lien and charge upon Housing Set-Aside Revenues on a parity with the lien and charge securing the Bonds. See “THE BONDS – Additional Bonds” and “APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.”

Interest on the Bonds will be payable semiannually on June 1 and December 1 of each year, commencing December 1, 2009. The Bonds will be initially delivered in the form of one fully registered certificate for each maturity. Upon initial delivery, the ownership of each Bond will be registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of the Depository Trust Company, New York, New York (“DTC”). DTC will act as the depository for the Bonds and all payments due on the Bonds will be made to Cede & Co. Ownership interests in the Bonds may be purchased only in book-entry form. *So long as the Bonds are registered in the name of Cede & Co., or any other nominee of DTC, references in this Official Statement to the Owners of the Bonds shall*

generated by rates levied to pay bonded indebtedness approved by the voters on or after January 1, 1989 for the acquisition or improvement of real property) are allocated to a redevelopment agency and may be pledged by a redevelopment agency to the repayment of any indebtedness incurred in financing or refinancing a redevelopment project. Redevelopment agencies have no authority to levy property taxes and must look specifically to the allocation of taxes provided for under the Redevelopment Law.

Sections 33334.2 and 33334.3 of the Redevelopment Law require the Agency to set aside not less than 20% of all tax increment revenues with respect to the Project Area allocated to the Agency in a low and moderate income housing fund (the "Housing Fund") to be expended for authorized low and moderate income housing purposes. Amounts on deposit in the Housing Fund may be applied to pay debt service on bonds, loans or advances used to provide financing for such low and moderate income housing purposes.

Security for the Bonds

The Bonds are secured by a pledge of Housing Set-Aside Revenues and certain funds established under the Indenture. "Housing Set-Aside Revenues" is defined in the Indenture to mean the amounts required to be deposited by the Agency in the Housing Fund pursuant to Section 33334.2 or 33334.6 of the Redevelopment Law.

The projections of Housing Set-Aside Revenues contained in this Official Statement are based on assessed valuations for fiscal year 2008-09. Any future decrease in the receipt of taxes, the assessed valuation of the Project Area, the applicable tax rates or the economic stability of the Project Area could reduce the Housing Set-Aside Revenues allocated to the Agency and correspondingly could have an adverse impact on the ability of the Agency to pay debt service on the Bonds. See "RISK FACTORS" and "PROPERTY TAXATION."

The Bonds are not a debt, liability or obligation of the City, the State, or any of its political subdivisions other than the Agency, and none of the City, the State nor any of its political subdivisions, other than the Agency, is liable therefor. The principal of, interest and premium, if any, on the Bonds are payable solely from Housing Set-Aside Revenues allocated to the Agency from the Project Area and amounts in certain funds and accounts held under the Indenture. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

Other Information

This Official Statement contains brief descriptions of the Bonds, security for the Bonds, certain risk factors, the Agency, the Project Area and certain other documents and information relevant to the issuance of the Bonds. All references herein to the Indenture or other documents are qualified in their entirety by reference to the Indenture or such documents and all references to the Bonds are further qualified by reference to the definitive Bonds and to the terms thereof which are contained in the Indenture. Unless the context clearly requires otherwise, capitalized terms used but not otherwise defined herein have the meanings assigned to them in the Indenture. See "APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Definitions."

This Official Statement speaks only as of its date as set forth on the cover hereof, and the information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Agency since the date hereof.

PLAN OF FINANCE

Housing Fund

A portion of the proceeds of the Bonds will be placed in the Housing Fund to be used by the Agency to finance the purchase of property for the development of low and moderate income housing.

The above-described projects reflect the Agency's current expectations. The Agency may use the proceeds of the Bonds for other permitted low and moderate income housing purposes. None of the projects financed with proceeds of the Bonds will constitute security for the Bonds.

Estimated Sources and Uses of Funds

The estimated sources and uses of funds relating to the Bonds are as follows:

<u>Sources</u>	
Principal Amount of Bonds	\$3,470,000
Less: Underwriter's Discount	52,050
Total Sources	<u>\$3,417,950</u>
<u>Uses</u>	
Housing Fund	\$3,010,000
Reserve Account ⁽¹⁾	286,030
Costs of Issuance ⁽²⁾	121,920
Total Uses	<u>\$3,417,950</u>

⁽¹⁾ Deposit equal to the initial Reserve Requirement with respect to the Bonds. See "SECURITY FOR THE BONDS – Reserve Account."

⁽²⁾ To pay fees and expenses of Bond Counsel, Disclosure Counsel, Trustee, Trustee's Counsel, Financial Advisor and Fiscal Consultant, rating fees, costs of printing this Official Statement, and other costs in connection with the issuance of the Bonds.

SECURITY FOR THE BONDS

Pledge

The Bonds are secured by a pledge of Housing Set-Aside Revenues and certain funds established under the Indenture. "Housing Set-Aside Revenues" is defined in the Indenture to mean the portion of the Tax Revenues required to be deposited by the Agency in the Housing Fund pursuant to Section 33334.2 or Section 33334.6 of the Redevelopment Law. "Tax Revenues" means that portion of taxes levied upon taxable property in the Project Area allocated and paid into a special fund of the Agency pursuant to Article 6 of Chapter 6 of the Redevelopment Law and Section 16 of Article XVI of the Constitution of the State of California. See "APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE."

Upon their issuance, the Bonds will constitute the Agency's only outstanding bonds secured by a pledge of Housing Set-Aside Revenues with respect to the Project Area. See "APPENDIX C - AUDITED FINANCIAL STATEMENTS OF THE AGENCY FOR FISCAL YEAR ENDED JUNE 30, 2008."

EXHIBIT 2

**PROJECTED REVENUES AND SPENDING REQUIREMENTS
ON ANNUAL BASIS - 2013 TO 2046 AND ASSUMPTIONS MADE**

ARTESIA HOUSING AUTHORITY

Fiscal Year	Assumptions Made	2013	2014	2015	2016	2017	2018
Sources		<i>Fiscal year amounts</i>					
Prior Year Balance Forward		-	(44,687)	(89,374)	(134,192)	(150,143)	(166,230)
List revenue sources							
RPTTF		286,030	284,105	282,180	285,255	282,945	285,635
TOTAL SOURCES		286,030	239,418	192,806	151,063	132,802	119,405
Uses							
Administration force labor	10% of \$65,377 listed on ROPS III for 2012/1.	6,537	6,537	6,668	6,801	6,937	7,076
Continuing Disclosures	Based on 2011-2012 fees	1,850	1,850	1,850	1,850	1,850	1,850
Bond Trustee	Based on 2011-2012 fees	2,300	2,300	2,300	2,300	2,300	2,300
Attorney	Bond project for housing	10,000	10,000	10,000	5,000	5,000	5,000
Housing consultant	Bond project for housing 40% of projected admin allowance of \$60,000 reported on ROPS 3	24,000	24,000	24,000	-	-	-
2009 Bonds Debt Service	Based on debt service schedule	286,030	284,105	282,180	285,255	282,945	285,635
TOTAL USES		330,717	328,792	326,998	301,206	299,032	301,861
BALANCE		(44,687)	(89,374)	(134,192)	(150,143)	(166,230)	(182,456)

ARTESIA HOUSING AUTHORITY

Fiscal Year	2019	2020	2021	2022	2023	2024	2025	2026	2027
Sources									
Prior Year Balance Forward	(182,456)	(198,823)	(215,335)	(231,994)	(248,803)	(265,765)	(282,884)	(300,162)	(317,602)
List revenue sources									
RPTTF	282,940	285,245	282,165	284,085	285,620	281,770	282,920	283,685	284,065
TOTAL SOURCES	100,484	86,422	66,830	52,091	36,817	16,005	36	(16,477)	(33,537)
Uses									
Administration force labor	7,217	7,362	7,509	7,659	7,812	7,969	8,128	8,290	8,456
Continuing Disclosures	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850
Bond Trustee	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
Attorney	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Housing consultant	-	-	-	-	-	-	-	-	-
2009 Bonds Debt Service	282,940	285,245	282,165	284,085	285,620	281,770	282,920	283,685	284,065
TOTAL USES	299,307	301,757	298,824	300,894	302,582	298,889	300,198	301,125	301,671
BALANCE	(198,823)	(215,335)	(231,994)	(248,803)	(265,765)	(282,884)	(300,162)	(317,602)	(335,209)

ARTESIA HOUSING AUTHORITY

Fiscal Year	2028	2029	2030	2031	2032	2033	2034	2035	2036
Sources									
Prior Year Balance Forward	(335,209)	(352,984)	(370,932)	(389,056)	(407,359)	(425,846)	(444,519)	(463,383)	(482,440)
List revenue sources									
RPTTF	284,060	283,670	282,895	281,735	285,190	282,875	285,175	281,705	282,850
TOTAL SOURCES	(51,149)	(69,314)	(88,037)	(107,321)	(122,169)	(142,971)	(159,344)	(181,678)	(199,590)
Uses									
Administration force labor	8,625	8,798	8,974	9,153	9,336	9,523	9,714	9,908	10,106
Continuing Disclosures	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850
Bond Trustee	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
Attorney	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Housing consultant	-	-	-	-	-	-	-	-	-
2009 Bonds Debt Service	284,060	283,670	282,895	281,735	285,190	282,875	285,175	281,705	282,850
TOTAL USES	301,835	301,618	301,019	300,038	303,676	301,548	304,039	300,763	302,106
BALANCE	(352,984)	(370,932)	(389,056)	(407,359)	(425,846)	(444,519)	(463,383)	(482,440)	(501,697)

ARTESIA HOUSING AUTHORITY

Fiscal Year	2037	2038	2039	2040	2041	2042	2043	2044	2045
Sources									
Prior Year Balance Forward	(501,697)	(521,155)	(540,819)	(560,694)	(580,783)	(601,091)	(621,622)	(642,381)	(663,371)
List revenue sources									
RPTTF	283,225	282,830	281,665	284,730	281,640	282,780	282,765	281,595	284,270
TOTAL SOURCES	(218,472)	(238,325)	(259,154)	(275,964)	(299,143)	(318,311)	(338,857)	(360,786)	(379,101)
Uses									
Administration force labor	10,308	10,514	10,725	10,939	11,158	11,381	11,609	11,841	12,078
Continuing Disclosures	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850
Bond Trustee	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
Attorney	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Housing consultant	-	-	-	-	-	-	-	-	-
2009 Bonds Debt Service	283,225	282,830	281,665	284,730	281,640	282,780	282,765	281,595	284,270
TOTAL USES	302,683	302,494	301,540	304,819	301,948	303,311	303,524	302,586	305,498
BALANCE	(521,155)	(540,819)	(560,694)	(580,783)	(601,091)	(621,622)	(642,381)	(663,371)	(684,599)

ARTESIA HOUSING AUTHORITY

Fiscal Year	2046	TOTALs
Sources		
Prior Year Balance Forward	(684,599)	
List revenue sources		
RPTTF	285,405	9,639,705
TOTAL SOURCES	(399,194)	9,639,705
Uses		
Administration force labor	12,319	307,968
Continuing Disclosures	1,850	62,900
Bond Trustee	2,300	78,200
Attorney	5,000	185,000
Housing consultant	-	72,000
2009 Bonds Debt Service	285,405	9,639,705
TOTAL USES	306,874	10,345,773
BALANCE	(706,068)	(706,068)